



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



MICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

February 2, 2009

MEMORANDUM

TO: Local and Intermediate School District Superintendents, Public School Academy Directors and Business Office Managers

FROM: Carol Wolenberg, Deputy Superintendent

SUBJECT: **BULLETIN 1022 – CHANGE NOTICE #16**

The purpose of this correspondence is to transmit *Michigan Public School Accounting Manual Change Notice 16*.

The following page gives the detail for pages in the manual that have been changed. You may print those pages from our website, or order them from Supreme School Supply Company. Please communicate these changes to others in your district that may be in possession of the *Michigan Public School Accounting Manual* to assure that all school district accounting manuals remain current. The entire manual along with this change notice is also available electronically on our website at:

<http://www.michigan.gov/mde>

(Look under Keywords, Michigan Public School Accounting Manual)

The *Michigan Public School Accounting Manual* contains the state prescribed chart of accounts to be used by all public school districts in Michigan. According to the Revised School Code, Section 380.1281

- 1) The state board shall:
 - a) require each board, each public school academy board of directors, each intermediate school board, and the officers of each of those boards to observe the laws relating to schools... prescribe appropriate uniform pupil and financial accounting records for use in school districts, public school academies, and intermediate school districts and promulgate rules for their adoption.
- 2) The state board may examine and audit the official records and accounts of school districts, public school academies, and intermediate school districts,

STATE BOARD OF EDUCATION

KATHLEEN N. STRAUS – PRESIDENT • JOHN C. AUSTIN – VICE PRESIDENT
CAROLYN L. CURTIN – SECRETARY • MARIANNE YARED MCGUIRE – TREASURER
NANCY DANHOF – NASBE DELEGATE • ELIZABETH W. BAUER
REGINALD M. TURNER • CASANDRA E. ULBRICH

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • (517) 373-3324

and may compel proper accounting by legal action instituted by direction of the attorney general.

Michigan Department of Education staff and members of the *Michigan Public School Accounting Manual* referent group will continue their efforts to ensure uniformity in the recording and reporting of Michigan public school district accounting transactions via updates to this manual. **The changes listed in Change Notice #16 are to be implemented for fiscal year 2009-10 with early implementation encouraged.**

If you have questions concerning the *Michigan Public School Accounting Manual*, please contact Glenda Rader at (517) 335-0524.

Change Notice 16

| Section | Sub-Section | Change | Discard Page # | Add Page # |
|-------------------|---|--|-------------------|---------------|
| Acknowledgements | | Acknowledgements – Updated with Member Information | Old | New |
| Table of Contents | | Updated with Sections VII and VIII | 1-2 | 1-2 |
| Section VIII | Financial Management | Financial Management- Revised from Old Section IX | | 1-5 |
| Section IX | Management Information | Section to be rewritten as Section VII | Entire | None |
| Appendix | Definitions of Account Codes – Fund Codes | Change Title of Cooperative Education Fund to Cooperative Activities Fund | 3-4 | 3-4 |
| Appendix | Revenue Suffix | Date Change on Bottom of Page | 22-23 | 22-23 |
| Appendix | Expenditure Function | Remove fund 22 as allowable with function 125-Compensatory | 25-26 | 25-26 |
| Appendix | Expenditure Function | Revised Definition of Function 45x to: Facilities Acquisition to Facilities Acquisition, Construction, and Improvement | 31-32 | 31-32 |
| Appendix | Expenditure Object | Object 3400-Communications. Changed definition to include “Internet” | 39-40 | 39-40 |
| Appendix | Expenditure Object | Object 3490-Change Title to include Internet Services | 39-40 | 39-40 |
| Appendix | Expenditure State Codes | Changed State Code Descriptors for most Career Tech Ed. Categories. Added or Revised multiple other State Codes | 49-54 | 49-54 |